

## Senate Bill No. 974

### CHAPTER 832

An act to add Section 1100.7 to the Public Contract Code, relating to public contracts.

[Approved by Governor October 12, 2001. Filed  
with Secretary of State October 13, 2001.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 974, Torlakson. Public contracts: cities.

The Public Contract Code contains various definitions of a "public entity," all of which include a city as a public entity. Under the California Constitution, a city may, as an alternative to being entirely subject to the general law of the state, elect to operate pursuant to a charter that authorizes the enactment of ordinances and regulations superseding the general law of the state with respect to municipal affairs.

This bill would state that the Public Contract Code is the basis of contracts between most public entities and their contractors and subcontractors. This bill would further state, with regard to charter cities, that this code applies in the absence of an express exemption or a city charter provision or ordinance that conflicts with that code.

The bill would state that these provisions are declaratory of existing law.

*The people of the State of California do enact as follows:*

SECTION 1. Section 1100.7 is added to the Public Contract Code, to read:

1100.7. This code is the basis of contracts between most public entities in this state and their contractors and subcontractors. With regard to charter cities, this code applies in the absence of an express exemption or a city charter provision or ordinance that conflicts with the relevant provision of this code.

SEC. 2. The Legislature finds and declares that Section 1100.7 of the Public Contract Code, as added by this act, is declaratory of existing law as set forth in the holding in *Howard Contracting, Inc. v. G.A. MacDonald Construction Co.* (1998) 71 Cal.App.4th 38.

